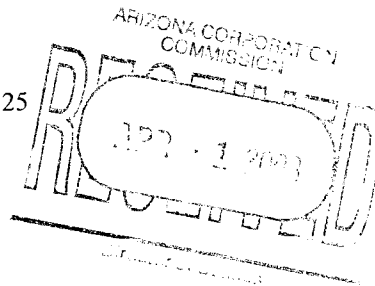


**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**



W-02301A  
Tortolita Water Co., Inc.  
3573 E. Sunrise Dr., Suite 125  
Tucson AZ 85718



**ANNUAL REPORT**

**FOR YEAR ENDING**

<b>12</b>	<b>31</b>	<b>2002</b>
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*W-02301A  
12-2-03  
TWC*

FOR COMMISSION USE

<i>ANN 04</i>	<i>02</i>
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## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>Tortolita Water Co., Inc</u>		
<b>Mailing Address</b> <u>3573 E Sunrise Dr., Ste 125</u>		
<u>Tucson, AZ</u>	<u>85718</u>	
(City)	(State)	(Zip)
(520) 615-9802	(520) 615-9789	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
<b>Email Address</b> _____		
<b>Local Office Mailing Address</b> <u>same as above</u>		
	(Street)	
(City)	(State)	(Zip)
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
<b>Email Address</b> _____		

## MANAGEMENT INFORMATION

<b>Management Contact:</b> <u>Daniel H. O'Connell,</u>		<u>President</u>	
(Name)		(Title)	
<u>3573 E Sunrise Dr., Ste 125</u>	<u>Tucson, AZ</u>	<u>85718</u>	
(Street)	(City)	(State)	(Zip)
(520) 615-9802	(520) 615-9789		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b> _____			
<b>On Site Manager:</b> _____			
(Name)			
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Email Address</b> _____			

**Statutory Agent:** Daniel H O'Connell  
 (Name)

3573 E. Sunrise Dr., Ste 125 Tucson, AZ 85718  
 (Street) (City) (State) (Zip)

(520) 615-9802 (520) 615-9789  
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Attorney:** \_\_\_\_\_  
 (Name)

\_\_\_\_\_  
 (Street) (City) (State) (Zip)

\_\_\_\_\_  
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |                                                 |                                                                                      |
|-------------------------------------------------|--------------------------------------------------------------------------------------|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                                |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co op (A)                                       |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                                   |
| <input type="checkbox"/> Other (Describe) _____ |                                                                                      |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |                                          |                                   |
|-------------------------------------|------------------------------------------|-----------------------------------|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE         | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM          | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA        | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO     | <input checked="" type="checkbox"/> PIMA | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI         | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE  |                                          |                                   |

COMPANY NAME

TORTOLITA WATER CO., INC

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	50,000.00	n/a	50,000.00
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment	5,000.00	(5,000)	00
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	5,000.00	(5,000.00)	50,000.00

This amount goes on the Balance Sheet Acct. No. 108



**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	50,000.00	N/A	N/A
304	Structures and Improvements	20,000.00	per schedule approx 4%	727.00
307	Wells and Springs			
311	Pumping Equipment	5,000.00	fully depreciated	
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	75,000.00		727.00

This amount goes on Comparative Statement of Income and Expense \_\_\_\_\_  
Acct. No. 403.

**BALANCE SHEET**

<b>Acct. No.</b>		<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 926.07	\$ 1288.82
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies	1415.75	1415.75
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 2341.82	\$ 2704.57
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 5000.00	\$ 5000.00
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(5000.00)	(5000.00)
121	Non-Utility Property	70000.00	70000.00
122	Accumulated Depreciation – Non Utility	(9164.00)	(9891.00)
	<b>TOTAL FIXED ASSETS</b>	\$ 60836.00	\$ 60109.00
	<b>TOTAL ASSETS</b>	\$ 63,177.82	\$ 62,813.57

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 630.09	\$ 00
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	311.25	00
235	Customer Deposits		550.00
236	Accrued Taxes	418.51	84.77
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 1,359.85	\$ 634.77
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$	\$
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$	\$
	<b>TOTAL LIABILITIES</b>	\$ 1,359.85	\$ 634.77
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 400.00	\$ 400.00
211	Paid in Capital in Excess of Par Value	74,600.00	74,600.00
215	Retained Earnings	(13,182.03)	(12,821.20)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 61,817.97	\$ 62,178.80
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 63,177.82	\$ 62,813.57

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

<b>Acct. No.</b>	<b>OPERATING REVENUES</b>	<b>PRIOR YEAR</b>	<b>CURRENT YEAR</b>
461	Metered Water Revenue	\$	\$
460	Unmetered Water Revenue	575.00	750.00
474	Other Water Revenues		
	<b>TOTAL REVENUES</b>	\$ 575.00	\$ 750.00
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	485.28	418.08
618	Chemicals		
620	Repairs and Maintenance	2,437.93	00
621	Office Supplies and Expense		
630	Outside Services	2,668.57	2,979.94
635	Water Testing		
641	Rents	2,200.00	2,400.00
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	40.00	165.00
403	Depreciation Expense	727.00	727.00
408	Taxes Other Than Income	30.09	39.77
408.11	Property Taxes	836.66	37.08
409	Income Tax	50.00	45.00
	<b>TOTAL OPERATING EXPENSES</b>	\$ 9,475.53	\$ 6,761.87
	<b>OPERATING INCOME/(LOSS)</b>	\$	\$ (6,011.87)
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$ 38.57	\$ 47.70
421	Non-Utility Income	5,775.00	6320.00
426	Miscellaneous Non-Utility Expenses	85.50	
427	Interest Expense		
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$ 5,728.07	\$ 6,372.70
	<b>NET INCOME/(LOSS)</b>	\$ (3,172.46)	\$ 360.83



COMPANY NAME

TORTOLITA WATER CO., INC

**SUPPLEMENTAL FINANCIAL DATA****Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ N/A	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$

Meter Deposits Refunded During the Test Year

\$

COMPANY NAME

TORTOLITA WATER CO., INC

**WATER COMPANY PLANT DESCRIPTION****WELLS**

<b>ADWR ID Number*</b>	<b>Pump Horsepower</b>	<b>Pump Yield (Gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>
55-801242		22	700	8		1970

- Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

<b>Name or Description</b>	<b>Capacity (gpm)</b>	<b>Gallons Purchased or Obtained (in thousands)</b>

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>
1500 gal	1	2000 gal	1

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	1020 lin ft
5		
6	PVC	860 lin ft
8		
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

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STRUCTURES:

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OTHER:

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## WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	2		
FEBRUARY	2		
MARCH	2		
APRIL	2		
MAY	2		
JUNE	2		
JULY	2		
AUGUST	2		
SEPTEMBER	2		
OCTOBER	2		
NOVEMBER	2		
DECEMBER	2		
TOTAL		N/A	unknown

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☒ Yes                      ☐ No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes                      ☒ No

If yes, provide the GPCPD amount: \_\_\_\_\_

What is the level of arsenic for each well on your system.    0.0002 mg/l

*(If more than one well, please list each separately)*

***Note: If you are filing for more than one system, please provide separate data sheets for each system.***

COMPANY NAME TORTOLITA WATER CO., INC YEAR ENDING 12/31/2002

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2002 was: \$ 37.44

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

COMPANY NAME

TORTOLITA WATER CO., INC

YEAR ENDING 12/31/2002

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	00
Estimated or Actual Federal Tax Liability	00

State Taxable Income Reported	00
Estimated or Actual State Tax Liability	\$45.00

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	00
Amount of Gross-Up Tax Collected	
Total Grossed-Up Contributions/Advances	

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

DATE

Daniel H. O'Connell,

PRINTED NAME

President

TITLE

**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

**VERIFICATION**

STATE OF \_\_\_\_\_

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Pima
NAME (OWNER OR OFFICIAL) TITLE	Daniel H. O'Connell, President
COMPANY NAME	Tortolita Water Co., Inc

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 750.00

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 39.77

IN SALES TAXES BILLED, OR COLLECTED

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**


SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

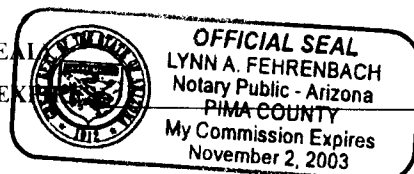
THIS 31st DAY OF

  
SIGNATURE OF OWNER OR OFFICIAL  
(520) 615-9802  
TELEPHONE NUMBER

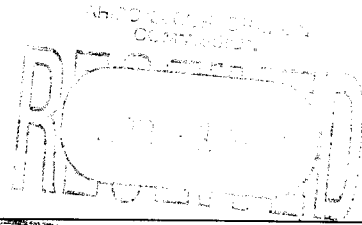
COUNTY NAME	Pima
MONTH	March
YEAR	2003

  
SIGNATURE OF NOTARY PUBLIC

(SEAL)  
MY COMMISSION EXPIRES



**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) Pima	
NAME (OWNER OR OFFICIAL) Daniel H O'Connell	TITLE President
COMPANY NAME Tortolita Water Co., Inc	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.


**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 750.00

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 39.77  
IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

  
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

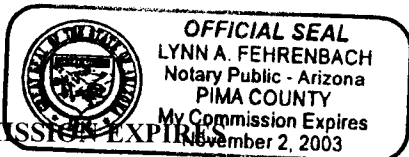
THIS

31st

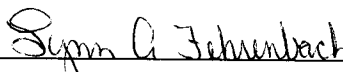
DAY OF

(SEAL)

MY COMMISSION EXPIRES



NOTARY PUBLIC NAME Lynn A. Fehrenbach	
COUNTY NAME Pima	
MONTH March	2003

X   
SIGNATURE OF NOTARY PUBLIC



# M 293708 PIMA COUNTY TAX RECEIPT

ARIZONA



COUNTY	BOOK	MAP	PARCEL	AMOUNT OF TAX	FIRST HALF	SECOND HALF
10	218	44	0650 0	\$18.80	PAID	PAID

THIS IS YOUR RECEIPT FOR PAYMENT OF FIRST HALF 2002 REAL ESTATE TAXES.

TORTOLITA WATER COMPANY INC  
DANIEL O CONNELL/PRES  
3573 E SUNRISE DR #125  
TUCSON AZ  
85718  
CK

AMOUNT PAID	DATE
\$18.80	10/16/2002

THANK YOU FOR YOUR PAYMENT  
BETH FORD  
PIMA COUNTY TREASURER

# M 293707 PIMA COUNTY TAX RECEIPT

ARIZONA



COUNTY	BOOK	MAP	PARCEL	AMOUNT OF TAX	FIRST HALF	SECOND HALF
10	903	60	6100 0	\$18.64	PAID	PAID

THIS IS YOUR RECEIPT FOR PAYMENT OF FIRST HALF 2002 REAL ESTATE TAXES.

TORTOLITA WATER COMPANY INC  
DANIEL O CONNELL/PRES  
3573 E SUNRISE DR #125  
TUCSON AZ  
85718  
CK

AMOUNT PAID	DATE
\$18.64	10/16/2002

THANK YOU FOR YOUR PAYMENT  
BETH FORD  
PIMA COUNTY TREASURER